



Department of Justice

Acting United States Attorney Alex G. Tse
Northern District of California

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INTERNATIONAL HACKER-FOR-HIRE WHO CONSPIRED WITH AND AIDED RUSSIAN FSB OFFICERS SENTENCED TO FIVE YEARS IN PRISON

Russian Officers Tasked Prolific Hacker-for-Hire to Target Webmail Accounts

SAN FRANCISCO – Karim Baratov, aka Kay, aka Karim Taloverov, aka Karim Akehmek Tokbergenov, 23, was sentenced to 60 months in prison and ordered to pay a \$250,000 fine, which encompasses all of his remaining assets.

The sentence was announced by Acting U.S. Attorney Alex G. Tse for the Northern District of California, Assistant Attorney General for National Security John C. Demers, and Special Agent in Charge John F. Bennett of the FBI's San Francisco Field Office. The sentence was handed down today by the Honorable Vince Chhabria, U.S. District Judge.

"The sentence imposed reflects the seriousness of hacking for hire," said Acting U.S. Attorney Tse. "Hackers such as Baratov ply their trade without regard for the criminal objectives of the people who hire and pay them. These hackers are not minor players; they are a critical tool used by criminals to obtain and exploit personal information illegally. In sentencing Baratov to five years in prison, the Court sent a clear message to hackers that participating in cyber attacks sponsored by nation states will result in significant consequences."

"Criminal hackers and the countries that sponsor them make a grave mistake when they target American companies and citizens. We will identify them wherever they are and bring them to justice," said Assistant Attorney General Demers. "I would like to thank Canadian law enforcement authorities for their tremendous assistance in bringing Baratov to justice. We will continue to work with our foreign partners to find and prosecute those who would violate our laws."

"It's difficult to overstate the unprecedented nature of this conspiracy, in which members of a foreign intelligence service directed and empowered criminal hackers to conduct a massive cyber-attack against 500 million victim user accounts," said Special Agent in Charge John F. Bennett. "Today's sentencing demonstrates the FBI's unwavering commitment to disrupt and prosecute malicious cyber actors despite their attempts to conceal their identities and hide from justice."

Baratov, a Canadian national and resident, and three other defendants, including two officers of the Russian Federal Security Service (FSB), Russia's domestic law enforcement and intelligence service, were charged with a number of offenses relating to the hacking of webmail accounts at Yahoo and other service providers. In particular, the defendants were charged in a computer hacking conspiracy in which the two Russian FSB officers hired criminal hackers to collect information through computer intrusions in the United States and abroad, which resulted in the unauthorized access of Yahoo's network and the spear phishing of webmail accounts at other service providers between January 2014 and December 2016.

Baratov's role in the charged conspiracy was to hack webmail accounts of individuals of interest to his coconspirator who was working for the FSB and send those accounts' passwords to Dokuchaev in exchange for money. The Indictment and additional documents setting out the allegations are available at www.usdoj.gov/usao/can.

Baratov has been detained since his arrest in Canada in March 2017. Baratov waived extradition to the United States and was transferred to the Northern District of California in August 2017. In November 2017, Baratov pleaded guilty to Count One and Counts Forty through Forty-Seven of the Indictment. Count One charged Baratov, Dokuchaev, Sushchin, and Belan with conspiring to violate the Computer Fraud and Abuse Act by stealing information from protected computers and causing damage to protected computers. Counts Forty through Forty-Seven charged Baratov and Dokuchaev with aggravated identity theft. As part of his plea agreement, Baratov not only admitted to agreeing and attempting to hack at least 80 webmail accounts on behalf of one of his FSB co-conspirators, but also to hacking more than 11,000 webmail accounts in total from in or around 2010 until his March 2017 arrest by Canadian authorities. In addition to any prison sentence, Baratov agreed to pay restitution to his victims, and to pay a fine up to \$2,250,000, at \$250,000 per count, with any assets he has remaining after satisfying a restitution award.

The FBI, led by the San Francisco Field Office, conducted the investigation that resulted in the charges in the Indictment. The case is being prosecuted by the U.S. Attorney's Office for the Northern District of California and the U.S. Department of Justice National Security Division's Counterintelligence and Export Control Section, with support from the Justice Department's Office of International Affairs.

Further Information:

Case #: 3:17-CR-103 VC

A copy of this press release will be placed on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

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